

**GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:357
ANSWERED ON:19.07.2016
Income of Farmers
Pathak Smt. Riti

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether the Government has made any announcement to ensure a certain amount of income of farmers by the year 2022;
- (b) if so, the details thereof and the measures taken/being taken by the Government for the purpose; and
- (c) the efforts to be made by the Government for increasing the Minimum Support Price of the crops at par with their cost of production?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a) & (b): During the presentation of Budget for 2016-17, Union Finance Minister has stated that "We are grateful to our farmers for being the backbone of the country's food security. We need to think beyond food security and give back to our farmers a sense of income security. Government will, therefore, reorient its interventions in the farm and non-farm sectors to double the income of the farmers by 2022." To achieve the target of doubling of income of farmers by 2022, a Committee has been constituted under the Chairmanship of Additional Secretary, Department of Agriculture, Cooperation and Farmers Welfare for the following aspects:

- i) To study the current Income level of farmers/ agricultural labourers
- ii) To measure the historical growth rate of the current income level
- iii) To determine the needed growth rate to double the income of farmers/agricultural labourers by the year 2021-22
- iv) To consider and recommend various strategies to be adopted to accomplish (iii) above
- v) To recommend an institutional mechanism to review and monitor implementation to realise the goal
- vi) To examine any other related issue.

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(c): Government fixes Minimum Support Prices (MSPs) of various crops on the recommendation of Commission for Agricultural Costs & Prices (CACP), views of the concerned State Governments and Central Ministries/Departments and other relevant factors. While formulating its recommendations on price policy, CACP considers, inter-alia, a number of factors including cost of production and changes in input prices. The cost of production, inter-alia, includes all paid out costs including imputed value of family labour. The objective of the government's price policy is to ensure remunerative prices to farmers by offering to procure their produce at MSP. However, farmers are free to sell their produce to the Government procurement agencies at MSP or in the open market as is advantageous to them.

Government has increased MSPs for all Kharif Crops including pulses & oil seeds for 2016-17 Season. Further, to incentivize cultivation of pulses and oil seeds in the country, Government has announced a bonus of Rs. 425/- per quintal for Kharif pulses, namely Arhar (Tur), Urad and Moong, a bonus of Rs. 200/- per quintal for Sesamum and a bonus of Rs. 100/- per quintal for other Kharif oilseeds namely, Groundnut-in-shell, Sunflower seed, Soyabean, and Nigerseed over and above the MSPs. A statement of MSP of various crops for last five year is annexed.